CASE STUDY

In a digital world, mail can make an impact

Australians trust mail as a credible source of information.[1] And that's why nationwide eyewear retailer Specsavers still sees mail as a vital part of its marketing mix. Dario Garma shares the secrets behind his carefully targeted mail strategy, encouraging customers to take care of their eye health.

Key points:

- Mail is a credible channel for sharing important and relevant health-related information, according to Specsavers.
- By segmenting customers according to age and buying behaviour, and sending multiple communications, Specsavers optimises the return on its mail investment.
- Email, mail and SMS messages are carefully targeted and measured, whether they are clinical messages or marketing offers.

When Specsavers first launched in 2008, mail was its only communication channel. Over the years, the eyewear supplier has developed a carefully targeted multi-channel marketing strategy, incorporating mail, email and SMS. Head of CRM, eCommerce and Strategic Partnerships Dario Garma confirms mail is still extremely effective – especially for clinical communications.

> **"When you get a letter from your optometrist saying you're due for an eye test, it's a credible health message," says Dario.**

This 'trust-factor' is backed up by a 2020 Accenture report commissioned by Australia Post, which found that mail helps build brand trust significantly more than email – adding credibility to a message and to the sender. 58% of survey respondents said they prefer mail for important information, and 52% said it shows the sender takes the information seriously.[1]

Specsavers has a database of over 6 million active customers. So, to make the most of mail in its mix, Dario takes a carefully targeted approach – by firstly segmenting customers by age, buying behaviour and health factors.

Specsavers

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"As you get older, your eyes naturally start to deteriorate – so age is a big component. There's a greater need once people hit that 40 to 45 age mark."

He then targets higher-spend mail campaigns to those who were in a store recently. "The longer it's been, the harder it is to get someone back – so if someone has lapsed four years or more, mail may not be as cost-effective."

The third part of Dario's 'formula' is frequency, and that is determined by Specsavers' optometrists.

"Most customers will get a reminder every two years and around 20% of customers – depending on their age and other health factors will get a reminder every year."

The most important thing Dario has learned is to follow up.

"You can't just rely on one communication. Repetition is really important. You need to assess that and test over time," he says.

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As well as building trust in the message, mail has the advantage of being easily shared within a household. According to Accenture's 2020 survey, 81% of Australian consumers will open mail and read it immediately, and 56% share mail with other members of the household.[1]

"Mail not only helps with retention, it's also an acquisition play with the same piece of communication," says Dario. "We measure how many people come in from the same household, because they were influenced by that main decision maker we mailed."

He notes that people tend to keep eye test reminders on the kitchen bench or in the home office because they know they've got to get it done. "Whereas, with an email or SMS, if you don't act on it straight away it's forgotten."

Right message, right time, right channel

About half of Specsavers' communications are for clinical purposes like eye test reminders. The other half are more marketing-focused, such as a "polarised lens seasonal offer", or a "two pairs of designer glasses" reminder promotion to health fund members just before premiums renew.

According to Dario, mail is also able to communicate a greater depth of detail with these marketing campaigns.

> **"We find the combination of mail and email works well. We send more information up front in the letter and flyer, and then push a sense of urgency via email towards the end of the campaign."**

SMS is only used for clinical messages – such as appointment reminders. "We trialled marketing via SMS and experienced massive unsubscribes," notes Dario.

Of course, a strategically targeted multi-channel campaign is only as good as your customer data. And that's where Specsavers has an advantage, in the amount of personal data it collects through its clinical practice.

"That data is so valuable, but it's what you do with it that matters," says Dario. "With that, comes a responsibility."

Specsavers has contact addresses for around 95% of its customers, so it can personalise every piece of mail – including the preferred Specsavers store. "Whereas we've only got email addresses for about 60%," says Dario. "So if we only used email, we'd miss out on 35% of our customers."

Target, test and tailor

With 90% of its revenue coming through bricks and mortar stores, Specsavers' main objective is simple: encouraging customers to visit their local optometrist for an eye test or a new pair of glasses. And because Specsavers passes marketing costs onto franchise partners, it needs to justify the return on investment.

"I've been in the direct-mail space for a long time, and it's all about testing, trialling and analysing," says Dario. "For me, multiple communications with a single-minded proposition makes it easier for the customer – and more likely they will respond."

By analysing targeted communications against a control group that receives no information, Dario has found conversion rates tend to be higher with the omnichannel approach – and average purchase values are usually greater.

"You don't tend to over-communicate in direct mail, which makes it almost a 'surprise and delight' when you get something in the letter box, versus yet another email from the same business that week," he says.

The results are clear. For Specsavers, mail still works – and Dario says he will continue to use it.

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1 Mail's Role in the Digital Age, Accenture, 2020
Based on a survey n = 2,015 plus 90 qualitative consumer interviews.

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